



7950 Corporate Blvd.
Plain City, OH 43064
(614) 733-3300 Phone
(614) 733-3301 Facsimile

FOR IMMEDIATE RELEASE

April 30, 2008

Contact:

Jeff McDaniel
Velocys
614-733-3319
mcdaniel@velocys.com

Velocys Receives Development Loans from State of Ohio

Ohio Development Financing Advisory Council Approves 2 Loans for Velocys

PLAIN CITY, Ohio, April 30, 2008 – Lieutenant Governor Lee Fisher announced a series of low interest loans aimed at retaining and creating jobs in Ohio. Velocys was awarded two of these, totaling \$7,360,000. The first is a 15 year loan for \$5,360,000 from the Ohio Enterprise Bond Fund, and the second is a 15 year \$2 million loan from Research and Development Investment Loan Fund. The State Controlling Board will review the loan packages in May for final approval.

According to Rob Underhill, Director of Finance at Velocys, "This financing is exactly what we need to bring our revolutionary process technology to market and create jobs in Ohio. We are very excited about our upcoming expansion and are grateful to The Ohio Department of Development and the Union County Chamber of Commerce who have provided outstanding support." With the funds, Velocys will acquire its existing building and construct an Advanced Manufacturing Center (AMC). Buying the building decreases operating expenses and provides freedom to customize the facility. AMC will be a new facility where the processes under development at Velocys, such as synthetic fuels production, can be scaled up and commercial scale microchannel reactors will be fabricated.

About Velocys

Velocys, Inc. is changing the way the world produces energy, chemicals and biofuels with revolutionary microchannel technology. Velocys, a subsidiary of Battelle Memorial Institute, was launched in 2001 and has developed a portfolio of 78 patents and received \$100 million of investment from industry leading partners, including Dow Chemical, Toyo Engineering and MODEC. Velocys is headquartered near Plain City, Ohio. For more information, visit www.velocys.com.